



MOTORCARRIER

NEWSLETTER

A Quarterly Newsletter

October 2001



DMV Welcomes New Director



We are pleased to welcome the new leader of the DMV team, Director Ginny Lewis. Ginny Lewis was recently promoted to the Director of the Department of Motor Vehicles as a result of legislation passed during the 2001 Legislative Session.

Welcome to the 3rd Quarter Edition of the Motor Carrier Newsletter. We are pleased to again provide you with essential and beneficial Motor Carrier news and information. We're looking forward to the coming months, which promises to be full of activity and positive changes for Motor Carrier.

Ms. Lewis brings to the position over 22 years of experience in various areas of the Department, including drivers licensing, records management, and areas of fiscal management and accounting. The new Director strongly believes in customer service, and will make this issue a priority during her tenure. "There are endless possibilities to upgrading customer service options" stated Ms. Lewis recently, explaining how the computer had expanded customer service options within the DMV. Her goal of creating new options for customers who want the ease of conducting financial transactions without having to personally visit a DMV Branch Office will also ease the

burden of the Motor Carrier customer. Also being implemented are electronic connections between law enforcement, the court system, and the DMV to more quickly and accurately report accidents and traffic citations and convictions.

Although Ms. Lewis has not held a position within the Motor Carrier Section, she is familiar with many of the functions due to past fiscal management positions. In addition, she plans to be actively involved in the addition of the motor fuel tax unit due to transfer from the Department of Taxation on January 1, 2002. With her knowledge of technology and her interest in improving customer service, Ms. Lewis

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promises to be a welcome addition to both the agency, and our Motor Carrier customers.

Congratulations, Ginny!

TRUCKERFEST 2001



Motor Carrier and Emission Teams attend "Truckerfest 2001"

"Truckerfest 2001" sponsored in part by Newport Communications and Bob Cashell's Alamo Truck Plaza, was held at the Alamo Truck Plaza in Sparks Nevada, August 16 - 19, 2001.

The Compliance Enforcement Division represented by all four Motor Carrier Teams (Licensing, Revenue, Tax, and Audit) and the Heavy Duty Diesel/Emissions Team held Credo and Poster contests in honor of this year's event. Maple Hunt from the Licensing Team submitted the winning credo, "Motor Carrier. . . We keep you trucking."



"It's as easy as ABC"

The Licensing Team also won the Poster contest with their entry "It's as easy as ABC". This poster featured pictures of a truck driving through Washoe Valley, Nevada with the Licensing Schedules, "A", "B", "C" which equals a "Cab Card" and Apportioned Plate".



"Exciseman"

The Tax Team ran a close second with their entry "Exciseman". The "Exciseman" is a compliance excise taxman shaped in the form of a fuel pump, offering tax advice to filers. All five of the entries were proudly on display at our booth.

Commercial drivers were invited to "roll the dice" for a chance to win a limited edition "Truckerfest 2001" T-shirt.

This year's theme was "Comply No Dye - Keep our Roadways Clear." Nearly four hundred lucky drivers walked away with shirts! Planning has already begun to make next years booth even better!

GOVERNOR'S PROCLAMATION

Nevada's Governor Kenny C. Guinn, issued a proclamation commemorating August 25 - September 1, 2001 as the Fifth Annual Truck Driver Appreciation Week, in honor of Truck Drivers Professionalism and Services.

Representatives for the Motor Carrier Section attended the proclamation and presented the Governor with a gift in honor of the Truckerfest 2001.

Look at those smiles!



From right to left:
Governor Kenny C. Guinn, Dawn Lietz, and Karen Winchell

EARLY REGISTRATION RENEWALS

As you have probably already discovered, the renewal documents for the 2002 registration year were mailed out a month earlier than in past years. The early mailing of the renewal packet was in part due to several changes currently taking place within the Motor Carrier Section. Early mailing will allow Motor Carrier employees the extra time necessary to implement the changes and conversions. The final result of these changes will allow us to serve our motor carrier customers more quickly and efficiently.

Coming up for the 2002 registration year:

- *The implementation of AB584* - This bill, approved in the 1999 legislative session, will create a new gasoline fuel tax unit within the Motor Carrier Section. Although this unit had previously been located within the Nevada Department of Taxation, it was considered more practical and

efficient to move the unit to the Motor Carrier Section.

- *Registration payments by credit card* - You will notice that your registration packet contains credit card payment documents. Our credit card payment option is fully operational for 2002. All Motor Carrier customers are encouraged to take advantage of this fast and easy payment option.
- *MVS Express* - This exciting "on line" internet service is currently in the final stages of development. MVS Express will allow Motor Carrier companies the ability to renew registration, add and delete fleet vehicles, file and pay fuel taxes and will allow a variety of other computer transactions that can be conducted on line via the internet.
- *Motor Fuel Tracking* - Motor Carrier in conjunction with ACS (formerly Lockheed Martin) has created a system for computerized filing of Special Fuel Supplier

tax returns and supporting schedules. We are currently looking for companies to voluntarily participate in our test program. The Motor Fuel Tracking System (MFTS) test program may save your company money through immediate discovery of over or underpayment errors and reduced filing costs. It is also anticipated that the MFTS will simplify the reporting process and greatly reduce tax evasion and leakage through undetected errors. There are currently no setup charges for software installation or ancillary costs. Please do not hesitate to call Mike Kennedy, Tax Administrator, at (775) 684-4610 with questions or to make an appointment to further discuss the possibility of your participation in our test program and receive a demonstration of the MFTS.

NEW DEALER PROGRAM

In partnership with Nevada's LPG Board, Motor Carrier has created a new dealer licensing program. Since both offices want to encourage alternative fuel use and retail availability, the Motor Carrier office has simplified the application and reporting requirements.

The application has been shortened to one page of basic company information and a notarized signature. Initially, a \$100 bond will be required, but may be increased later if taxable sales exceed the minimum bond requirement. The "new" dealer tax return has been modified to require reporting of taxable sales only.

LPG/CNG dealers licensed with Motor Carrier prior to June 1, 2001, will soon be relieved of the lengthy inventory reporting required in the past and will report only taxable sales on the new form.

All retail outlets registered with the LPG Board were sent an invitation to license with DMV in June 2001. The advantages of becoming a licensed dealer are: 1) you can expand your customer base by selling LPG as a motor fuel; 2) you will be entitled to retain 2% of any fuel taxes

collected from the sale of LPG as a motor fuel, 3) you will be assisting Nevada in meeting its alternative fuel use requirements and clean air standards; and 4) you will be listed as a LPG motor fuel source in future Motor Carrier and Industry publications.

If you would like more information on the program, please contact the Tax Team at (775) 684-4711 ext. 2.

SPECIAL FUEL/MOTOR FUEL CONSOLIDATION (AB584)

Continuing News:

Implementation of AB584 continues and we are on time for our projected start date of January 1, 2002. In our last newsletter, we told you of our progress with computer system revisions needed to accommodate the new combined Special Fuel/Motor Fuel tax reporting requirements. This time we will tell you about two new pieces of legislation that affect the fuel industry. What do these changes mean to you? As far as reporting your fuel taxes, there should be no change. These amendments only affect allocation and distribution of taxes to counties and incorporated cities.

SB124 amends NRS 365.540, 365.550, 365.560, 373.130,

and section 98 chapter 224. These amendments require the allocation and remittance of money collected from certain motor fuel and aviation fuel taxes to be made directly to incorporated cities. The old allocation method allowed for remittance only to each county, which in turn allocated to each incorporated city and town within its jurisdiction.

SB557 amends NRS 365.550, 218.5388, 218.53881, and section 9 chapter 661. These amendments revise the formula for the distribution among counties of certain revenue from the tax on certain motor vehicle fuel. They provide for a review of the estimates of the total mileage of roads or streets maintained by each county and incorporated city prepared by the department of transportation. The old allocation method allowed for allocation based 1/4 in proportion to total area, 1/4 in proportion to population, 1/4 in proportion to road mileage, and 1/4 in proportion to vehicle miles of travel.

Associated Computer Services (ACS), formerly Lockheed Martin IMS, is working on incorporating these new amendments into our accounting processes.

Watch this space for further updates and information regarding Industry Training Seminars to be held later this year in Reno, Las Vegas, and Elko. We are still seeking volunteers to assist us in testing the new forms. If you would like to volunteer, or have any questions or concerns regarding this transition, please contact Gary Flores, AB584 Project Coordinator, at (775) 684-4639.

SPECIAL FUEL EXEMPT USE

Nevada's statutes and regulations allow the special fuel user a refund for any exempt use of taxed special fuel. (Special fuel is Diesel, Kerosene, Propane, A55, Bio-Diesel, Butane and Liquified Compressed Gas. That is, any motor fuel other than gasoline or gasohol.) Briefly, the statutes hold that any fuel use other than propelling a motor vehicle on a public highway, is exempt. If the user purchased the fuel and paid the tax, they are entitled to have that portion of the tax refunded to them which was used for anything other than propelling a motor vehicle.

Naturally, the first question is how to obtain a refund:

Complete a form MC45 and provide proof that you purchased enough taxed fuel to cover your nonexempt and exempt use.

The next question is - how do I figure out the amount of fuel that is exempt?

Answer:

- Any taxed fuel used in off-road equipment (cats, graders, front end loaders, generators, etc); and/or
- Any taxed fuel used for heat; and/or
- Any taxed fuel used by the Federal Government or its agencies; or
- Any taxed fuel used by a bus system (See NRS 366.650 (5) for specific requirements of the bus system.)
- Any taxed fuel used by Special Mobile Equipment (Per AB639, effective date 07/01/01.); and/or
- Taxed fuel used in a motor vehicle where a portion can be accredited to non highway use. The exempt portion can be calculated by a formula

established under NAC366.220.

PROPOSED CHANGES TO NAC 366

The Department has proposed amending its regulations regarding the refund formula for auxiliary equipment. These amendments are based upon research by Purdue University for the State of Indiana, *Procedure to Calculate Fuel Tax Exemption Percentage*, Dr. Alan T. McDonald, School of Mechanical Engineering, Purdue University.

The Department held a series of workshops for proposed amendments to NAC 366 regarding refunds for special fuel users. Many good recommendations were received and incorporated into the proposed amendments, which were sent to the Legislative Council Bureau (LCB) for review. Shortly, notifications will be sent out for hearings on the proposed regulations. Below is the proposed amendment regarding auxiliary equipment for NAC 366.220.2 as it was submitted to the LCB:

NAC 366.220.2 is hereby amended to read as follows:
2. A special fuel user may obtain a refund pursuant to

subsection 5 of NRS 366.207 without providing the documentation required by subsection 1 if the motor vehicle with auxiliary equipment is a motor vehicle which has a common fuel reservoir used to propel the motor vehicle on the highway or operate the auxiliary equipment. If the special fuel user operates a vehicle for which a proportional use exemption should be allowed, and is not listed in this section or the percent conflicts with the special fuel user's claim of a higher percentage than is listed, the special fuel user must submit proof, acceptable to the Department, to substantiate his position. The operator of a motor vehicle listed herein may obtain a refund of the quoted percentage of the tax paid on the refundable fuel used on Nevada's public roads by the following types of vehicles:

CODE TYPE OF ELIGIBLE VEHICLE

10	Boom Trucks-Block Boom10%
11	Car Carriers with Hydraulic Winch10%
12	Cement Mixers 30%
13	Distribution Truck Hot Asphalt . . . 10%
14	Dump Trailers . .15%
15	Dump Trucks .. .23%

16	Garbage Trucks with Compactor20%
17	Line Truck-Digger/Derrick, Aerial Lift Truck20%
18	Milk Tank Trucks . 30%
19	Mobile Cranes42%
20	Pneumatic Tank Trucks15%
21	Refrigeration Truck15%
22	Roll-Off Containers23%
23	Semi-Wrecker35%
24	Service Truck with Jack Hammer, Pneumatic Drill15%
25	Snow Plow10%
26	Super Sucker90%
27	Sweeper Truck . . . 20%
28	Tank Trucks24%

In order to receive a proportional use exemption refund for special fuel use from the Department of Motor Vehicles, the claimant must provide proof acceptable to the Department that:

1. The Nevada special fuel tax has been previously paid on the fuel covered by the claim; and
2. The special fuel was used in Nevada to operate auxiliary equipment mounted on the vehicle.

LICENSING TEAM

Good News! The renewals for registration year 2002 have been mailed. Renewals were mailed earlier this year than in previous years due to several changes within the Motor Carrier Section. Early mailing will allow us extra time to make any necessary changes, therefore allowing you, to receive your credentials in a more timely manner. If you have not received your 2002 renewal by October 31, 2001, then please contact the Licensing Team immediately at (775) 684-4711 ext. #1.

Exciting changes for the 2002 registration year include:

- The California State Legislature enacted the Commercial Vehicle Registration Act (CVRA) in 2001. Effective January 1, 2002, "Trailers" no longer have to be apportioned to enter the state of California. Current Nevada based trailer plates will be honored. We will be replacing any apportioned trailer plates with 100% Nevada trailer plates at the time of renewal.
- Any carriers who have received 70 - 105

permits (overweight/overlength permits) last registration year should expect to see them in their 2002 renewal packets.

- Fully Operational Credit Card Processing System for 2002 Renewal. Please complete the credit card slip in your packet.
- To better serve you during the 2002 renewal season, each Motor Carrier Licensing Technician has been assigned specific accounts for processing. Please compare your Vista number with the provided list to determine which Licensing Technician is responsible for your account. When initiating telephone or written contact please ask for the following:

Kim - Vista numbers 21 thru 707 and vista numbers 3380 thru 4124. (775)684-4657.

Cindy - Vista numbers 712 thru 1820 and vista numbers 2568 thru 3378. (775)684-4648.

Marina - Vista numbers 1826 thru 2566 and vista numbers 4127 thru 4421. (775) 684-4655.

Sam - Vista numbers 4423 thru 10643. (775) 684-4656.

Keli - Vista numbers 10644 thru 11840. (775) 684-4670.

Marian - Vista numbers 11842 thru 13117. (775) 684-4803.

Maple - Vista numbers 13118 thru 40001. (775) 684-4665.

Thank you for your continued support and patience.



*"SPOTLIGHT ON THE
REVENUE TEAM"*



From left to right:
Karyn, Kim, Angela, Tammy, Cherie
and Nancy

*INSTALLMENT PAYMENT
REMINDER*

The Nevada Motor Carrier Section offers a registration installment payment option to most of our customers. Please be aware of this important information if you qualify for and plan to use this option:

- The installment option is a privilege offered to our carriers. Most states and jurisdictions require the carrier to make the complete payment before credentials are issued.
- When your registration information is received and processed by the Licensing unit, your fees will be calculated, and an initial invoice sent. This invoice should be retained and utilized when making subsequent installment payments. *Although the Motor Carrier Section does mail courtesy reminder invoices, we are unable to guarantee that you will receive them.*
- If you make your initial registration payment in a timely manner, it is assumed that you received the initial invoice.

- The initial invoice provides a break down of the fees due, and the amount of both your initial and subsequent payments. These figures will not usually change. Subsequent installment payments are always due and payable no later than April 1, July 1, and October 1 of the registration year. Remember to mark your calendar accordingly.
- If you add a vehicle after the initial invoice has been sent and paid, you will be required to pay the additional registration in full.
- If you delete a vehicle after the initial invoice has been sent and paid, and a credit is forthcoming, the amount of the remaining installment payments will not necessarily change. The Motor Carrier employee processing your credential return can explain this further.
- Due to the growing amount of

delinquent payments, the Department of Motor Vehicles has recently instituted a monetary sanction program for noncompliance. Please make every effort to pay your installment payments on time.

QUARTERLY TAX RETURNS

Does receiving your IFTA and Special Fuel quarterly tax return in the mail cause you to groan in confusion and frustration? The Tax Team at Motor Carrier would like to help to make this process go smoother for you by offering a few helpful hints on completing the tax return.

If you are a 100% carrier, you will only receive a form 366 which needs to have the total miles traveled in Nevada in column "B" and the total gallons you purchased in column "C". You should owe no money at the time of filing because your taxes should be paid at the time of purchase. If you have any off-road miles, you will need to contact us for a Schedule 1.

If you are an IFTA carrier, you will receive a Form 366 and a Schedule 1. These two forms need to be completed and work hand in hand to ensure

that the information being submitted is calculated correctly. Some of the most important things to remember are that the total in column "d" on Schedule 1 should match column "B" on Form 366, and the column "g" total on Schedule 1 should match column "C" on the Form 366. If these do not match when the return is received by us, we will give you a call to find out why there is a difference.

Time saving tips for you:

The value we are asking for in column "g" on Schedule 1 is gallons, not dollars.

Please round miles and gallons to whole numbers.

Please make sure to sign and include a telephone number of the person who prepared the return.

Please include all of Oregon miles and gallons.

We are including an instructional example of Schedule 1 which gives more information to help make completing your tax return easier and less frustrating. If you have additional questions or need help in completing your return, please call (775) 684-4711 ext 2 and a Tax Examiner will be happy to assist you.